



FEDERAL COMMUNICATIONS COMMISSION
Enforcement Bureau, Investigations and Hearings Division
445 12th Street S.W., Room 3-B443
Washington, D.C. 20554

July 10, 2003

VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED
and FACSIMILE (202) 408-4805

Michelle Thomas
Executive Director
Federal Regulatory
SBC Communications, Inc.
1401 I Street, N.W., Suite 1100
Washington, DC 20005

Re: Consolidated Section 271 Compliance Review Programs for California and Nevada
EB-02-IH-0856 and EB-03-IH-0085

Dear Ms. Thomas:

This letter memorializes discussions held during a telephone conference on May 20, 2003, among representatives of SBC Communications, Inc. ("SBC") and the Enforcement Bureau ("Bureau").¹ The discussions focused on (a) consolidating the Bureau's Section 271 Compliance Programs for California² and Nevada³; and (b) establishing the categories of information that SBC shall produce to the Bureau, and the deadlines for doing so, pursuant to a Consolidated Section 271 Compliance Program for both states.

As a result of our discussions, we hereby establish the following schedule, which will henceforth govern SBC's submissions during Phase 1 of the Bureau's Consolidated Section 271 Compliance Program for California and Nevada.⁴

¹ We acknowledge receipt of SBC's follow-up letter to the May 20, 2003, conference call. See Letter from Paul M Beck, Associate Director – Federal Regulatory, SBC Telecommunications, Inc., to Constance Heller, Auditor, Investigations and Hearings Division, Enforcement Bureau, FCC, dated May 21, 2003.

² The Bureau commenced its Section 271 Compliance Program for California following the Commission's grant of SBC's application to provide in-region, interLATA long distance service in California. See *In the Matter of Application by SBC Communications, Inc., Pacific Bell Telephone Company, and Southwestern Bell Communications Services Inc., for Authorization to Provide In-Region InterLATA Services in California*, FCC 02-330 (rel. December 19, 2002) ("California Order").

³ The Bureau commenced its Section 271 Compliance Program for Nevada following the Commission's grant of SBC's application to provide in-region, interLATA long distance service in Nevada. See *In the Matter of Application by SBC Communications Inc., Nevada Bell Telephone Company, and Southwestern Bell Communications Services, Inc., for Authorization To Provide In-Region, InterLATA Services in Nevada*, FCC 03-80 (rel. April 14, 2003) ("Nevada Order").

⁴ The schedule set forth herein applicable to SBC's submission of information for California supercedes all previously specified deadlines. No deadlines have previously been established for the submission of information by SBC for Nevada.

I. MONTHLY SUBMISSIONS

A. Information to be Produced on a Monthly Basis for California

1. Monthly Performance Measurement Reports: Commencing in January 2003 and continuing through, at a minimum, March 1, 2004, SBC shall provide directly to the Bureau complete and final copies of its monthly Section 271 Performance Measurement Tracking Report for California ("PMT Report") and its Hit or Miss Report ("HOMR"). Each monthly PMT Report shall contain performance measurement data accompanied by appropriate charts analyzing SBC's performance over the preceding 12-month period. Each monthly HOMR submission shall contain data in side-by-side format with the last column identifying the number of performance failures over the preceding three-month period. In addition, the HOMR report shall contain both CLEC and SBC volumes. SBC shall provide all reports in hard copy and on computer disc in Microsoft® Excel format. SBC shall submit all such materials to the Bureau no later than five (5) business days after the date on which SBC has delivered copies of the same materials to the California State Public Utility Commission. SBC shall provide all corrections or restatements to the Bureau within five (5) business days of the date the data is corrected or restated. All corrections or restatements shall include an explanation of the reason for the correction or restatement. SBC will inform the Bureau of all changes to the business rules governing its performance measurements within five (5) business days of such modifications. SBC will also submit to the Bureau the results of all audits of its California performance measurement data. SBC shall direct all such information to: Connie Hellmer, Investigations & Hearings Division, Enforcement Bureau, Federal Communications Commission, 445 12th Street, S.W., Room 3-A336, Washington, D.C. 20054. SBC shall also concurrently transmit the information via e-mail to Ms. Hellmer at: Connie.Hellmer@fcc.gov.

SBC shall comply with the foregoing filing obligations through March 1, 2004. The Bureau will inform SBC if SBC must continue with some or all of the foregoing filing obligations beyond that date.

2. Performance Incentive Plan Payment Reports: Commencing in January 2003 and continuing through, at a minimum, March 1, 2004, SBC shall provide directly to the Bureau complete and final copies of all reports that SBC submits, formally or informally, to the California State Public Utility Commission or staff thereof, including, but not limited to, its Poison Ivy Report, its PB Performance Incentive Report for California (commonly referred to as "Jungle Spider Report"), its Sage Green Report, and its Extended Chronic Deficiencies Report. SBC shall provide all reports in hard copy and on computer disc in Microsoft® Excel format. SBC shall submit all such materials to the Bureau no later than five (5) business days after the date on which SBC has delivered the same materials to the California State Public Utilities Commission or staff thereof. SBC shall provide all corrections or restatements to the Bureau within five (5) business days of the date the data is corrected or restated. All corrections or restatements shall include an explanation of the reason for the correction or restatement. SBC shall send the reports to Ms. Hellmer at the above-referenced address. SBC shall also concurrently transmit the reports via e-mail to Ms. Hellmer at the above-referenced e-mail address.

SBC shall comply with the foregoing filing obligations through March 1, 2004. The Bureau will inform SBC if SBC must continue with some or all of the foregoing filing obligations beyond that date.

B. Information to be Produced on a Monthly Basis for Nevada

1. Monthly Performance Measurement Reports: Commencing in April 2003, and continuing through, at a minimum, March 1, 2004, SBC shall provide directly to the Bureau complete and final copies of its monthly Section 271 Performance Measurement Tracking Report for Nevada ("PMT Report") and its Hit or Miss Report ("HOMR"). Each monthly PMT Report shall contain performance measurement data accompanied by appropriate charts analyzing SBC's performance over the preceding 12-month period. Each monthly HOMR submission shall contain data in side-by-side format with the last column identifying the number of performance failures over the preceding three-month period. In addition, the HOMR report shall contain both CLEC and SBC volumes. SBC shall provide all reports in hard copy and on computer disc in Microsoft® Excel format. SBC shall submit all such materials to the Bureau no later than five (5) business days after the date on which SBC has delivered copies of the same materials to the Nevada Public Utilities Commission. SBC shall provide all corrections or restatements to the Bureau within five (5) business days of the date the data is corrected or restated. All corrections or restatements shall include an explanation of the reason for the correction or restatement. SBC will inform the Bureau of all changes to the business rules governing its performance measurements within five (5) business days of such modifications. SBC will also submit to the Bureau the results of all audits of its Nevada performance measurement data. SBC shall direct all such information to: Connie Hellmer, Investigations & Hearings Division, Enforcement Bureau, Federal Communications Commission, 445 12th Street, S.W., Room 3-A336, Washington, D.C. 20054. SBC shall also concurrently transmit the information via e-mail to Ms. Hellmer at: Connie.Hellmer@fcc.gov.

SBC shall comply with the foregoing filing obligations through March 1, 2004. The Bureau will inform SBC if SBC must continue with some or all of the foregoing filing obligations beyond that date.

2. Performance Incentive Plan Payment Reports: Commencing in April 2003 and continuing for each month thereafter through, at a minimum, March 1, 2004, SBC shall provide directly to the Bureau complete and final copies of all reports that SBC submits, formally or informally, to the Nevada Public Utilities Commission or staff thereof, including, but not limited to, its Sage Green Report, and any reports regarding chronic and extended chronic deficiencies. SBC shall provide all reports in hard copy and on computer disc in Microsoft® Excel format. SBC shall submit all such materials to the Bureau no later than five (5) business days after the date on which SBC has delivered the same materials to the Nevada State Public Utilities Commission or staff thereof. SBC shall provide all corrections or restatements to the Bureau within five (5) business days of the date the data is corrected or restated. All corrections or restatements shall include an explanation of the reason for the correction or restatement. SBC shall send the reports to Ms. Hellmer at the above-referenced address. SBC shall also concurrently transmit the reports via e-mail to Ms. Hellmer at the above-referenced e-mail address.

SBC shall comply with the foregoing filing obligations through March 1, 2004. The Bureau will inform SBC if SBC must continue with some or all of the foregoing filing obligations beyond that date.

II. PHASE 1 SUBMISSION

A. Overview

The Consolidated Phase 1 Review for California and Nevada shall encompass, as to SBC's compliance in California, the period from the date of release of the *California Order* through August 29, 2003, and, as to SBC's compliance in Nevada, the period from the date of release of the *Nevada Order* through August 29, 2003. On August 29, 2003, SBC shall produce to the Bureau its Consolidated Phase I Review Submission containing, at a minimum, the information identified below. At any time during the Consolidated Phase 1 Review for California and Nevada, the Bureau may require SBC to provide additional information not referenced below. Such information may relate to, or serve to supplement, the information referenced below or encompass new inquiries. In addition, at any time during the Consolidated Phase 1 Review for California and Nevada, the Bureau may require SBC to arrange for certain of its employees with subject matter expertise to meet with Commission personnel.

B. Information to be Produced on August 29, 2003

SBC's Consolidated Phase 1 Review Submission for California and Nevada shall consist of the following: (a) a narrative discussion of SBC's compliance, covering the period from the date of release of the *California Order* through August 29, 2003, with the conditions of its approval to provide in-region, interLATA long distance service in California contained in the *California Order*; (b) a narrative discussion of SBC's compliance, covering the period from the date of release of the *Nevada Order* through August 29, 2003, with the conditions of its approval to provide in-region, interLATA long distance service in Nevada contained in the *Nevada Order*; (c) a thorough analysis, accompanied by supporting data (as applicable), relating to SBC's performance in California during the period from the date of release of the *California Order* through August 29, 2003; and (d) a thorough analysis, accompanied by supporting data (as applicable), relating to SBC's performance in Nevada during the period from the date of release of the *Nevada Order* to August 29, 2003. Such analysis and data shall encompass, at a minimum, the checklist items and other information requests identified below for the two states. For the performance measurement-related items, SBC's Consolidated Phase 1 Review Submission shall also include, for each state, the number of observations or volumes, both SBC and CLEC, for each month subsequent to the grant of Section 271 authority.

SBC shall submit its Consolidated Phase 1 Review Submission in hard copy and on computer disc in Microsoft® Excel and Word formats, as appropriate. SBC shall direct its Consolidated Phase 1 Review Submission to: Gary Schonman and Connie Hellmer, Investigations and Hearings Division, Enforcement Bureau, Federal Communications Commission, 445 12th Street, S.W., Room 3B-443, Washington, D.C. 20054. SBC shall also concurrently transmit the information via e-mail to Mr. Schonman and Ms. Hellmer at: Gary.Schonman@fcc.gov and Connie.Hellmer@fcc.gov.

C. California Checklist Items

Checklist Item 2: Unbundled Network Elements

Pre-Ordering

- PM 1 – Average Response Time (to pre-Order Queries)
- PM 3 – Average Reject Notice Interval

Ordering and Provisioning

- PM 2 – Average FOC/LSC Notice Interval – Electronic/Manual
- PM 6 – Average Jeopardy Notice Interval
- PM 11 – Percent of Due Dates Missed – UNE-P
- PM 18 – Average Completion Notice Interval

Maintenance and Repair

- PM 19 – Customer Trouble Report Rate
- PM 21 – Average Time to Restore
- PM 32 – Frequency of Repeat Trouble in 30-Day Period

Billing

- PM 31 – Usage Completeness
- PM 32 – Recurring Charge Completeness
- PM 33 – Non-Recurring Charge Completeness
- PM 34 – Bill Accuracy

Checklist Item 4: Unbundled Local Loops

- PM 20 – High Capacity Loops: Percentage of Customer Troubles Not Resolved Within Estimated Time
- PM 21 – High Capacity Loops: Average Time to Restore

Checklist Item 11: Local Number Portability

- PM 15 – Time to Restore Provisioning Troubles
- PM 17 – Percentage Trouble in 10 Days for Non-Special Orders

D. Other Information Requests for California

Billing Adjustments

SBC shall provide to the Bureau a full and complete description of all billing adjustments since the release of the aforementioned *MO&O* that were previously performed manually but subsequently performed electronically.

Change Management and Technical Assistance

SBC shall provide to the Bureau copies of all orders, instructions or guidelines issued by any state public utility commission in any SBC region since the release of the aforementioned *MO&O* relating to SBC's Change Control Process or SBC's operation of that Change Control Process. SBC's submission shall also include the minutes of any change control plan meetings held at the direction of any state public utility commission in any SBC region.

Voice Grade Loops and High Capacity Loops

SBC shall provide to the Bureau a Status Report describing the status of operational modifications or revisions implemented to improve maintenance of voice-grade loops and of high-capacity loops.

Local Number Portability

SBC shall provide to the Bureau a Status Report describing the status of the implemented mechanized NPAC check required by the California Public Utility Commission.

Primary Interexchange Carrier

SBC shall provide to the Bureau the final report on the investigation initiated by the California Public Utility Commission into SBC's PIC administration practices to assess the feasibility and need for the creation of a third-party PIC administrator.

Deficient Performance Measurements

SBC shall provide to the Bureau a full and complete explanation for its deficient performance relating to the metrics identified below and a detailed description of all enhancements or actions that SBC has taken or is considering taking , if any, to remedy its deficient performance in these areas:

- PM 15a-1691400 - Average Time to Restore Provisioning Troubles (Prior to Service Order Completion)
- PM 19-1993600 – Customer Trouble Report Rate: Statewide Platform Basic Port and Loop
- PM 19-1994100 – Customer Trouble Report Rate: Statewide UNE Loop 2-Wire Digital Line Sharing
- PM 21-2196001 – Average Time to Restore: Statewide UNE Loop 4-Wire Digital 1.544
- PM 21-2197401 – Average Time to Restore: Statewide UNE Platform Basic Port

- PM 23-2392801 – Frequency of Repeat Troubles in a 30-Day Period: Statewide UNE Loop 2-Wire Digital XDSL Capable
- PM 23-2394000 – Frequency of Repeat Troubles in a 30-Day Period: Statewide UNE Loop 2-Wire Digital Line Sharing

E. Nevada Checklist Items

Checklist Item 2 – Unbundled Network Elements

Pre-Ordering

- PM 1 – NV Average Response Time

Ordering and Provisioning

- PM 2 – CA Average FOC/LSC Notice Interval
- PM 6 – CA Average Jeopardy Notice Interval
- PM 11 – CA Percent of Due Dates Missed

Maintenance and Repair

- PM 19 – CA Customer Trouble Report Date
- PM 20 – CA Percentage of Customer Trouble Not Resolved Within Estimated Time
- PM 21 – CA Average Time to Restore
- PM 23 – CA Frequency of Repeat Troubles in 30-Day Period

Checklist Item 4 – Unbundled Local Loops

Voice-Grade Loops

- PM 23-2392601 – CA Frequency of Repeat Troubles Within 30 Days

High-Capacity Loops

- PM 5-523300 – CA Percent of Orders Given Jeopardy Notice
- PM 11 – CA Percent of Due Dates Missed
- PM 12 – CA Percent of Due Dates Missed Due to Lack of Facilities
- PM 21-2195801 – CA Average Time to Restore
- PM 23-2392801 – CA Frequency of Repeat Troubles in a 30-Day Period
- PM 1-105600 – CA Average Time to Pre-Order Mechanical Loop

Qualification Actual – Verigate

- PM 1-106007 – CA Average Time to Pre-Order Mechanical Loop

Qualification Actual – EDI-CORBA

- PM 6-648200 – CA Average Jeopardy Notice Interval
- PM 21-2196001 – CA Average Time to Restore UNE Loop 4-Wire Digital HDSL

Checklist Item 1 – Interconnection

- PM 24 – 240010 – NV Percent Blocking on Common Trunks

F. Other Information Requests for Nevada

Deficient Performance Measurement

SBC shall provide to the Bureau a full and complete explanation for its deficient performance relating to the metric identified below and a detailed description of all enhancements or actions that SBC has taken or is considering taking, if any, to remedy its deficient performance in this area:

- PM 7- 705900 – Average Completion Interval: Interconnection Trunks

III. PHASE II SUBMISSION

The Consolidated Phase II Review for California and Nevada shall encompass, as to SBC's compliance in California, the period from the date of release of the *California Order* through March 1, 2004, and, as to SBC's compliance in Nevada, the period from the date of release of the *Nevada Order* through March 1, 2004. On March 1, 2004, SBC shall produce to the Bureau its Consolidated Phase II Review Submission containing information to be described in a subsequent directive from the Bureau. At the present time, the Bureau anticipates that SBC will be required to provide in its Consolidated Phase II Review Submission, at a minimum, updated information of that required to be filed by SBC in its Consolidated Phase I Submission.

Thank you for your cooperation during the Bureau's Consolidated Compliance Review of California and Nevada. If you have any questions, please contact Gary Schonman of my staff at 202-418-1795.

Sincerely,

William H. Davenport
Deputy Division Chief
Investigations and Hearings Division
Enforcement Bureau